

Old Age, Disability, Death

First law: 1962.

Current law: 1969.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 3.75 riyals.

Coverage

Employees of firms with 10 or more workers. (Establishments with fewer than 10 workers may have their Saudi employees covered voluntarily.)

Exclusions: Agricultural workers, seamen, domestic servants, family labor, and casual workers with less than 3 months' service.

Special contributory system for public employees.

Note: Since March 1987, foreign workers are no longer covered under this program.

Source of Funds

Insured person: 5% of earnings.

Employer: 8% of payroll.

Government: Cost of administration during initial phase, annual subsidy, and any operating deficit.

Qualifying Conditions

Old-age pension: Age 60. 120 months of contribution, with 36 months in 5 years preceding application for pension; alternatively, a total of 180 months of contribution. Retirement from covered employment. Payable abroad.

Disability pension: Incapacity for any work before age 60; 60 months of contribution, 24 months in 3 years preceding onset of incapacity; or a total of 120 months of contribution. Unable to earn more than 1/3 of previous wage, and disability lasting more than 6 months.

Survivor pension: Insured met old-age or disability pension requirements or was pensioner at death.

Note: A person may qualify with 1/2 of minimum number of insurance months above if completed without interruption prior to application of Social Security Law.

Old-Age Benefits

Old-age pension: 2% of average monthly wage during last 2 years times years of covered employment.

Dependents' supplements: 10% of pension for 1st dependent, 5% each for 2nd and 3rd.

Refund of contributions: Employee contributions, plus 5% interest, if age 60 with at least 12 months of contribution and ineligible for pension.

Permanent Disability Benefits

Disability pension: 2% of average monthly wage during last 2 years times years of covered employment. Minimum, 40% of average wage.

Constant-attendance supplement: 50% of disability pension.

Dependents' supplements: 10% of pension for 1st dependent, 5% each for 2nd and 3rd.

Refund of contributions: Employee contributions, plus 5% interest, if 12 months of contribution and ineligible for pension.

Survivor Benefits

Survivor pension: 50% of pension paid or accrued to insured, exclusive of supplements, to be divided equally if more than one widow. Married at least 6 months (12 months if deceased was old-age or disability pensioner). Other survivors: 20% of pension each, payable to dependent sons under age 20 (25 if full-time students), dependent unmarried daughters and sisters, and dependent parents; 40% for full orphans. Maximum survivor pensions: 100% of pension of insured, exclusive of supplements.

Refund of contributions: Employee contributions, plus 5% interest, if 12 months of contribution and ineligible for pension.

Marriage grant: If widow, or dependent daughter or sister of the deceased marries, she receives a grant equal to 18 times her monthly annuity, and her annuity ceases.

Funeral grant: 1,000 riyals.

Administrative Organization

Ministry of Labor and Social Affairs, general supervision.

General Organization for Social Insurance, administration of program through district offices; managed by tripartite board.

Sickness and Maternity

1969 law requires employers with more than 20 employees to pay 100% of wages for the first 30 days of sick leave and 75% of wages for the next 60 days.

Work Injury

First law: 1947.

Current law: 1969.

Type of program: Social insurance system.

Coverage

Employees of firms with 10 or more workers, including foreign workers.

Source of Funds

Insured person: None.

Employer: 2% of payroll.

Government: Annual subsidy.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Survivor pension: Married prior to injury or if married after injury, death occurs at least 12 months after marriage.

Temporary Disability Benefits

Temporary disability benefit: 75% of daily wage (50% if under treatment at the General Organization's expense in hospital center). Payable until insured able to resume work.

Permanent Disability Benefits

Permanent disability pension: 75% of average monthly wage, if totally disabled.

Minimum, 250 riyals a month.

Dependents' supplement: 10% of pension for 1st dependent, 5% each for 2nd and 3rd.

Constant-attendance supplement: 50% of pension.

Partial disability: Percent of full pension proportionate to degree of disability. If 10% to 30% loss of capacity, lump sum equal to 36 times monthly benefit for permanent disability multiplied by actual percentage of disability.

Workers' Medical Benefits

Medical benefits: Necessary medical, dental, and diagnostic treatment, hospitalization, medicines, appliances, transportation, and rehabilitation.

Survivor Benefits

Survivor pension: 50% of permanent disability pension paid or accrued to the insured, to be divided equally if more than one widow.

Other survivors: 20% of pension each, 40% for full orphans.

Maximum survivor pensions: 100% of pension of insured.

Lump sum of 18 months' benefit payable to widow, daughter, or sister upon marriage.

Funeral grant: 1,000 riyals.

Administrative Organization

Ministry of Labor and Social Affairs, general supervision.

General Organization for Social Insurance, administration of program through Occupational Hazards Branch.